federal register

Monday
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Part IV

Department of Agriculture

Federal Grain Inspection Service

Adjustment of Fees for Federal Rice Inspection Services

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service [1]

7 CFR Part 68

Federal Grain Inspection Service; Adjustment of Fees for Federal Rice Inspection Services

AGENCY: Federal Grain Inspection Service, USDA.

ACTION: Final rule.

SUMMARY: The Federal Grain Inspection Service (FGIS) is increasing the fees for Federal rice inspection services approximately 15 percent from the present schedule effective August 10, 1980. Rice inspection services are made available only upon the request of an applicant. The cost of performing rice inspection services has exceeded revenue since August 1978 when the fees were lowered to reduce the reserve fund. The reserve fund has been reduced sufficiently so an increase in fees will be implemented to reduce the rate of loss for this program activity.

EFFECTIVE DATE: August 10, 1980.

FOR FURTHER INFORMATION CONTACT: Don W. Gassler, Rice and Commodities Branch, Inspection Division, FGIS, USDA, Room 0637 South Building, 1400 Independence Avenue, SW., Washington, D.C. 20250, 202-447-8601.

The Final Impact Statement describing the options considered in developing this final rule and the impact of implementing each option is available on request from the Director, Issuance and Coordination Staff, FGIS, USDA, Room 1127 Auditors Building, 1400 Independence Avenue, SW., Washington, D.C. 20250, 202-447-3910.

SUPPLEMENTARY INFORMATION: This final action has been reviewed under USDA procedures established in Secretary's Memorandum 1955 to implement Executive Order 12044, and has been classified as "significant."

Dr. L. E. Bartelt, Administrator, FGIS, has determined that a situation exists which warrants publication without opportunity for a public comment period on this final action because the collection of fees which are reasonable and as nearly as possible cover the costs for providing inspection service is prescribed in Section 203(h) of the Agricultural Marketing Act of 1946. The need for the increase in fees for services and the amount of the increase is known to members of the trade and is based on facts within the knowledge of FGIS. These changes are being announced in advance of the implementation date to provide the users of the inspection service ample time to incorporate the increase in fees into their handling costs.

Therefore, pursuant to the administrative procedure provisions in 5 U.S.C. 553, it is found upon good cause that publication of a notice of proposed rulemaking and other public procedures on the provisions of § 68.42c of the regulations, as set forth in this document, are impractical and unnecessary, and good cause is found for making these changes effective August 10, 1980.

In August 1978, the fees for rice inspection services were lowered in order to reduce the operating reserve fund which is maintained for contingencies when fees may not cover costs of providing the inspection service. The rate of monetary loss for the rice inspection program has rapidly increased in the past months which necessitates a fee increase at this time. FGIS had considered raising fees approximately 10 percent in March of this year but, at the request of representatives of the rice industry, postponed the increase until August so as to coincide with the start of the new crop year. As a result of the postponement, together with the rapid increase in costs of providing the inspection service, it has been determined that the fee increase shall be 15 percent. This increase will reduce, but not halt, the rate of loss for the rice inspection program. The FGIS fee schedule for rice inspection services will be monitored closely throughout the year to determine if the level of the fees is adequate to maintain a reasonable operating reserve. When practicable, future adjustments in rice inspection fees to cover program costs will become effective to coincide with the crop year for rice.

The adjustments in fees include changes in the:

(1) Commitment service hourly rates, except holidays, from $14.80 to $17.00 between the hours of 6 a.m. and 6 p.m. and from $17.80 to $20.40 between the hours of 6 p.m. and 6 a.m. For holidays, from $20.80 to $24.00.

(2) Noncommitment service hourly rates for Monday through Friday, except holidays, from $18.80 to $21.60 between the hours of 6 a.m. and 6 p.m. and from $21.60 to $24.80 between the hours of 6 p.m. and 6 a.m. For holidays, from $24.60 to $28.20.

(3) Inspection for quality fee per lot or sublot when performed at other than the point of sampling and the per sample fee for sample inspection from $10.90 to $12.50 for rough rice, $9.30 to $10.70 for brown rice for processing, and $7.80 to $9.00 for milled rice.

(4) Fee per factor for any single factor from $3.10 to $3.60.

(5) Fee for extra copies of certificates (per copy) from $1.00 to $1.15.

(6) Establishment of a $10.00 fee (per sample) for the Parboiled Light Interpretive Line.

In 7 CFR Part 68—Regulations and Standards for Inspection and Certification of Certain Agricultural Commodities and Products thereof, § 68.42c Fees for Federal rice inspection services is revised to read as follows:

§ 68.42c Fees for Federal rice inspection services.

The following fees apply to the Federal rice inspection services specified below:

Service and Fees

(a) *Appeal inspection.* The same inspection fee is charged as would have been charged if the inspection were not an appeal. No charge is made if the appeal result indicates a material error was made on the original inspection.

(b) *Commitment service.* An applicant may enter into an agreement with FGIS for rice inspection on a weekly basis, whereby the applicant agrees to pay for a minimum of 8 hours of service per day per person, for 5 consecutive days per week and FGIS agrees to make official inspection personnel available to perform such service for the applicant at reduced hourly rates. If one of the 5 consecutive days per week falls on a holiday and inspection services are not needed, the applicant is not charged for this day.

To enter into a commitment agreement, the applicant must give FGIS 60 days written notice specifying the proposed effective date of the commitment. However, a commitment may become effective prior to the proposed effective date with the consent of both parties. To terminate a commitment, the applicant must give FGIS 60 days written notice specifying the date of termination.

The commitment service can be used by one applicant who guarantees to pay for the full 8 hours per day per person for 5 consecutive days per week, or by two or moe applicants each guaranteeing to share the cost of the 8 hours per day per person. Each party to the commitment must agree to assume an even number of hours so that charges may be easily prorated.

Under a commitment service, FGIS reserves the right to: (1) Determine the number of official inspection personnel needed to perform the service for a commitment applicant, (2) terminate a commitment agreement by giving the applicant 60 days written notice specifying the date of termination, and (3) temporarily reassign official inspection personnel from a commitment applicant when, in the opinion of the Administrator, the official inspection personnel are not needed to perform service for the commitment applicant. The

[1] Including matters within the responsibility of the Federal Grain Inspection Service.

commitment applicant, in such instances, is credited with the number of commitment hours charged to other applicants or other FGIS activities.

Hourly rates for commitment services begin when the official inspection personnel arrive at the point of service and end when they depart from the point of service, computed to the nearest quarter hour (less mealtime, if any). Hourly rates include the cost of travel and transportation to perform the service requested, the original certificate, and four copies.

(1) Hourly rates per person per hour for commitment service, but see paragraph (d) of this section:

(i) For all work performed between the hours of 6 a.m. and 6 p.m. for 5 consecutive days per week, except holidays[1]—$17.00

(ii) For all work performed before 6 a.m. or after 6 p.m. for 5 consecutive days per week and any time during the 2 remaining days per week, except on holidays[1]—$20.40

(iii) For all work performed on holidays[1]—$24.00

(2) Minimum fees for service performed under a commitment service agreement shall be on the basis of 8 hours per day per person for 5 consecutive days per week calculated at the hourly rate of $17.00. If one of the 5 consecutive days per week falls on a holiday and inspection services are not needed, the applicant is not charged for that day. Further, when the commitment applicant's hours are charged to other applicants or activities of FGIS, these hours shall not be included in the minimum fee.

(3) Standby time per person per hour is charged at the applicable hourly rate.

(c) *Extra copies of certificates.* Per copy—$1.15

(d) *Inspection for quality.*[2] Charges per lot or sublot when performed other than at the point of sampling, but see paragraphs (b) and (f) of this section:

(1) Rough rice—$12.50

(2) Brown rice for processing—$10.70

(3) Milled rice—$9.00

(e) *Interpretive line samples.*[3]

(1) Milling Degree, per set[4]—$50.00

(2) Parboiled Light, per sample[5]—$10.00

(f) *Noncommitment service.* A noncommitment service is provided for applicants who do not enter into a commitment service agreement with FGIS. Service on a noncommitment basis will be furnished to applicants in the order in which requests are received, insofar as consistent with good management, efficiency, and economy. Precedence will be given, when necessary, to (1) commitment service participants, (2) requests for appeal service, (3) requests by Government agencies, and (4) requests by regular users of the service. Hourly rates begin when the official inspection personnel arrive at the point of service and end when they depart from the point of service, computed to the nearest quarter hour (less mealtime, if any). Hourly rates include the cost of travel and transportation to perform the service requested, the original certificate and the copies.

(1) Hourly rates per person per hour for noncommitment service, but see (d):

(i) For all work performed between the hours of 6 a.m. and 6 p.m., Monday through Friday, except on holidays[1]—$21.60

(ii) For all work performed before 6 a.m. or after 6 p.m., Monday through Friday, and any time Saturday or Sunday, except on holidays[1]—$24.80

(iii) For all work performed on holidays[1]—$28.20

(2) Minimum fee per person per callout or inspection visit for noncommitment service is at the applicable hourly rate with a 2 hour minimum.

(3) Standby time per person per hour is to be charged at the applicable hourly rate.

(g) *Sample inspection.*

(1) Inspection for quality[2] per sample:

(i) Rough rice—$12.50

(ii) Brown rice for processing—$10.70

(iii) Milled rice—$9.00

(2) Factor analysis for any single factor: Per factor—$3.60.

(Sec. 203, 60 Stat., 1087, as amended, (7 U.S.C. 1622))

Done at Washington, D.C., on June 27, 1980.

L. E. Bartelt,

Administrator.

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[1] Holiday shall mean the legal public holidays specified in paragraph (a) of section 6103, title 5, of the United States Code (5 U.S.C. 6103(a)) and any other day declared to be a holiday by Federal Statute or Executive Order. If the specified legal public holiday falls on a Saturday, the preceding Friday shall be deemed to be the holiday, or if the specified legal public holiday falls on a Sunday, the following Monday shall be deemed to be the holiday.

[2] Includes kind, class, grade, factor analysis, equal to type, milling yield, or any other quality designation as defined in the rice standards or instructions, whether singly or combined, except as provided for in paragraph (g).

[3] Interpretive line samples may be purchased from the U.S. Department of Agriculture, Federal Grain Inspection Service, Standardization Division, Board of Appeals and Review, Richards-Gebaur AFB, Building #221, Grandview, MO 64030. Interpretive line samples are also available for examination at selected FGIS field offices. A list of the field offices may be obtained from Director, Inspection Division, FGIS, USDA, Washington, D.C. 20250.

[4] The interpretive line samples illustrate the lower limit for milling degrees only.

[5] The interpretive line sample illustrates the color limit for the factor "Parboiled Light" rice.